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March 22, 2005

Darron R. Haddock
Permit Supervisor
1594 West North Temple, Suite 1210
PO Box 145801
Salt Lake City, Utah 84114-5801

Dear Darron:

Please excuse the timeliness of your request for our annual report. I explained to Tom Munson that Basin Perlite Company is in the process of being purchased and this has occupied a lot of my time. Hopefully this process will be completed in the next two months. I am sure the new owner will be in touch.

Sincerely,

Tim Hall
President

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MAR 22 2005
DIV. OF OIL, GAS & MINING

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